

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MINNESOTA
Civil No. 08-5348 (ADM/JSM)

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
1. THOMAS JOSEPH PETTERS;)
PETTERS COMPANY, INC., aka)
PCI; PETTERS GROUP WORLDWIDE, LLC;)
2. DEANNA COLEMAN aka DEANNA MUNSON;)
3. ROBERT WHITE;)
4. JAMES WEHMHOF;)
5. LARRY REYNOLDS dba)
NATIONWIDE INTERNATIONAL RESOURCES)
aka NIR;)
6. MICHAEL CATAIN dba)
ENCHANTED FAMILY BUYING COMPANY;)
7. FRANK E. VENNES JR., dba)
METRO GEM FINANCE,)
METRO GEM INC.,)
GRACE OFFERINGS OF FLORIDA LLC,)
METRO PROPERTY FINANCING, LLC,)
38 E. ROBINSON, LLC,)
55 E. PINE, LLC,)
ORLANDO RENTAL POOL, LLC,)
100 PINE STREET PROPERTY, LLC,)
ORANGE STREET TOWER, LLC,)
CORNERSTONE RENTAL POOL, LLC,)
2 SOUTH ORANGE AVENUE, LLC,)
HOPE COMMONS, LLC,)
METRO GOLD, INC.;)
Defendants.)
)
DOUGLAS A. KELLEY,)
Receiver,)
)
GARY HANSEN,)
Receiver.)

AFFIDAVIT OF RECEIVER IN SUPPORT OF FEE APPLICATION
FOR PRICEWATERHOUSECOOPERS LLP

STATE OF MINNESOTA)

) ss.

COUNTY OF HENNEPIN)

Steven E. Wolter, being first duly sworn, deposes and states:

1. I am an attorney with the law firm of Kelley, Wolter & Scott, P.A. On October 6, 2008, the Court appointed Doug Kelley to serve as Receiver for Petters Company Inc. (PCI) and Petters Group Worldwide, LLC (PGW) in the above-captioned matter. On October 14, 2008, the Court also appointed Mr. Kelley to be Receiver for individual defendants Thomas Petters, Deanna Coleman, Robert White, James Wehmhoff, Larry Reynolds and Michael Catain, and their wholly-owned entities. I make this application based on personal knowledge and offer it in support of the fee application in favor of PricewaterhouseCoopers LLP (PwC), as described more fully herein.

2. Mr. Kelley retained PwC with the Court's approval to provide forensic accounting and other services in connection with the foregoing receiverships.

3. I have received a statement from PwC describing work performed during the period from July 16, 2009 through August 15, 2009. I have submitted the statement to the Court for *in camera* review. The statement includes the date when work was performed, the name of the person performing the work, the time expended, and a detailed description of the task(s) performed. The statement reflects the amount of compensation requested for the

work performed and also requests payment of reimbursable costs incurred in connection with the PwC engagement. It sets forth a total of 3,588.70 hours, total fees of \$961,040.00 total expenses of \$99,228.47 and a total amount due, including costs, of \$1,060,268.47.

4. For the period July 16, 2009 through August 15, 2009, PwC personnel provided professional services to the Receiver as set forth below:

Name	Hourly Rate	Hours
Dyan Decker	\$600	8.60
Kevin Kreb	\$600	19.00
Michael Buermeyer	\$625	16.00
Ted Martens	\$625	28.85
Andrew Erzar	\$370	46.90
Beth Hannemann	\$450	215.80
Mark Brown	\$500	90.10
Timothy Abrahams	\$500	1.80
Bryan Humphrey	\$400	81.60
Janine Tanella	\$375	164.50
Scott Miller	\$275	33.40
Stephanie Head	\$375	94.50
Andrea Smith	\$400	2.60
Anna Kowalczyk	\$310	156.10
Carey Banner	\$340	147.60
Charles Bicknell	\$340	30.00
Eric Wu	\$310	184.00
Jeffrey Hausman	\$340	179.40

Name	Hourly Rate	Hours
Luke Heffernan	\$310	97.10
Sean Lindstrom	\$310	11.50
Shonda Finseth	\$290	30.00
Amber Lund	\$130	123.40
Anthony Chan	\$260	20.00
Austin Coop	\$250	184.90
Brian Dobray	\$260	161.60
Christopher Steffes	\$260	176.20
Conor Dowling	\$260	151.40
Emily Bottini	\$165	138.10
Erin Manalo	\$250	13.40
Haley Hubbard	\$255	180.40
Ilana Fried	\$250	191.40
Ryan Merrell	\$130	28.80
Sandra DeMarais	\$225	0.20
Juan Rosa	\$125	23.30
Allison Brown	\$55	80.10
Christine Hermawan	\$55	102.10
Christopher Bjorling	\$55	70.90
James Bainbridge	\$55	26.50
Jayne Case	\$95	1.80
Mark Cynova	\$55	86.60
Megan Feely	\$55	4.00
Sharon Ferch	\$95	0.40

Name	Hourly Rate	Hours
Theresa Koenen	\$110	1.50
Victoria Mauch	\$55	103.15
Zachary Kiefer	\$55	84.20

5. I am familiar with the rates charged in the local community by other firms offering services similar to those provided by PwC and certify that the requested rates are within the range charged by forensic accountants with comparable experience employed for work of a comparable nature and complexity.

6. I have reviewed the itemized statements describing services provided by PwC and certify that all of the stated work was actually performed and was necessary to fulfill Mr. Kelley's duties and responsibilities as Receiver. I further state that all unnecessary or duplicative services or expenses were removed from the fee application.

7. The tasks, services and work performed by PwC included the following: coordination with Stratify regarding project plan, staffing, priorities and work plans and related issues; identifying, obtaining and processing electronically stored and hard-copied historical information; reviewing and analyzing such information; analyzing notes payable activity, bank account activity, and tax issues; preparing status reports and meeting with the Receiver, his counsel and other professional advisors to discuss findings; assisting Receiver's counsel to respond to external information requests; interviewing former and current employees and other individuals; attending and participating in meetings with the

Receiver, counsel and government; working with counsel, government and the Receiver regarding Stratify planning and maintenance; tracing sources and use of funds by continuing to categorize cash flows and refining inventory and timeline of accounts payable and matching investor note activity to bank account transactional data and notes payable documents; and analyzing and summarizing the amounts of principal and interest paid to each investor by year.

8. I have reviewed the bank account balances for each individual receivership defendant. Their available funds are set forth below:

- a. Tom Petters - \$159,571.84
- b. Deanna Coleman - \$3,461,082.89;
- c. Robert White - \$2,626,721.23;
- d. James Wehmhoff - \$1,805,988.11;
- e. Larry Reynolds - \$955,622.01; and
- f. Michael Catain - \$1,675,209.42.

9. I therefore request Court approval of the Receiver's fee application in favor of PwC in the amount of \$1,060,268.47 for fees and expenses incurred during the period July 16, 2009 through August 15, 2009.

FURTHER AFFIANT SAYETH NOT.

s/Steven E. Wolter

Steven E. Wolter

Subscribed and sworn to before me
this 28th day of April, 2010.

s/Tina Marie Knoll

Notary Public